GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1458
ANSWERED ON:26.07.2016
Blackmarketing of Fertilizers
Kaswan Shri Rahul

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS & FERTILIZERS be pleased to state:

(a) whether the Government is aware of the increasing prices of fertilizers and sale of fertilizers in the black-market;

(b) if so, the details of such cases and the action taken thereon during the last three years and the current year;

(c) whether the Government has conducted any survey to find out the reasons for the increase in the prices of fertilizers; and

(d) if so, the details and outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAYS

(SHRI MANSUKH L. MANDAVIYA)

(a) to (d): The MRP of urea is statutorily controlled by the Government and at present it is Rs. 5360/- per tonne (exclusive of central excise duty, central sales tax, countervailing duty, the sales tax and other local taxes, wherever levied) w.e.f. lst November, 2012.An extra MRP of 5% (of Rs.5360/- per MT) is charged by fertilizer manufacturing entities on Neem Coated Urea. The difference between the delivered cost of fertilizers at farm gate and MRP payable by the farmer is given as subsidy to the fertilizers manufacturer/importer by the Government of India and at present NBS Policy being implemented for P&K fertilizers w.e.f. 01.04.2010, promotes competition amongst the various fertilizer companies from public sector, cooperatives and private sector and ensures reasonable prices to the farmers. As the prices of P&K fertilizers have come down in the international market, the fertilizer companies have reduced the MRP of DAP, MOP & NPK Complex fritters by Rs. 2500/MT, Rs. 5000/MT and Rs.1000/MT respectively. Thus, there is no increase in prices of fertilizers. However, there were reports of alleged black-marketing of fertilizers from some States during the year 2013-14 to 2015-16. A statement indicating the number of cases of black-marketing reported by various states is annexed and during the current year there is no report of black-marketing from any State Government so far. In this context, it is informed that Government has declared fertilizer as an essential commodity under the Essential Commodities Act, 1955 and notified Fertilizer Control Order, 1985 and Fertilizer (Movement Control) Order, 1973. The State Governments have been empowered to take appropriate action to curb black-marketing of fertilizers and initiate action against the persons who violate these orders. Department of Fertilizers has, from time to time, written to the Chief Secretaries of various States and Ministry of Home Affairs to activate the enforcement agencies under their jurisdiction to take appropriate action to curb black-marketing. State Governments are responsible for ensuring availability of all subsidized chemicals
fertilizers to farmers at subsidized rates.

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